

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF MEADE COUNTY)	
RURAL ELECTRIC COOPERATIVE)	
CORPORATION FOR PASS-THROUGH)	CASE NO. 2011-00038
OF BIG RIVERS ELECTRIC)	
CORPORATION WHOLESAL RATE)	
ADJUSTMENT)	

O R D E R

On May 11, 2011, Meade County Rural Electric Cooperative Corporation ("Meade County") filed its Response to Staff's Second Information Request. In response to Item 4 thereof, Meade County filed Affidavits of Publication indicating that notice of its proposed rate change had been published in *The Breckinridge Herald-News*, the *Grayson County News Gazette*, *The News Standard* (Meade County), the *Ohio County Times News*, and the *Meade County Messenger*. Meade County's service territory includes the counties of Breckinridge, Grayson, Hancock, Hardin, Meade, and Ohio.

When public notice of a proposed rate change is given by newspaper publication, KRS 424.120 requires that notice to be published in the entire publication area of the utility. If a publication area extends into more than one county, KRS 424.120(3) states that, ". . . the part of the district in each county shall be considered to be a separate publication area for the purposes of this section, and an advertisement for each

separate publication area shall be published in a newspaper qualified under this section to publish advertisements for the area.”¹

The issue of an electric utility’s publication of notice consistent with the requirements of KRS 424.120 has been addressed recently by the Commission in a fuel adjustment clause proceeding concerning Duke Energy Kentucky, Inc.² The electric service territory of Duke covers Boone, Campbell, Grant, Kenton, and Pendleton counties. Duke had published notice of the public hearing in the *Kentucky Enquirer*. In rejecting Duke’s argument that publication in the *Kentucky Enquirer* met the requirements of KRS 424.120 for publication in each of Duke’s service territories and directing it to publish notice in a newspaper of general circulation in each county where it provided service, the Commission stated that it “is in agreement with Duke that publication in the *Enquirer* would be cost effective to provide notice to its customers; however, the Commission is obligated to follow the requirements of KRS 424.120. Under those specific requirements, the *Enquirer* does not qualify for any county other than Kenton.”³

Based on the evidence in the record, the Commission finds:

1. Meade County has failed to publish notice of its proposed pass-through of Big Rivers’ wholesale rates in its service territories of Hancock and Hardin counties.
2. Meade County should publish notice of its proposed pass-through of Big Rivers’ wholesale rates in a newspaper of general circulation in each of its service

¹ KRS 424.120(3).

² Case No. 2010-00494, An Examination of the Application of the Fuel Adjustment Clause of Duke Energy Kentucky, Inc. from November 1, 2008 through October 31, 2010 (Ky. PSC Apr. 29, 2011).

³ *Id.* at p. 6.

territories of Hancock and Hardin counties in newspapers that qualify under KRS 424.120.

3. On May 31, 2011, the Commission issued an Order in Case No. 2010-00514⁴ directing Meade County to file revised tariff sheets setting out the rates approved by that Order. Meade County should update all affected testimony and exhibits in the instant proceeding to reflect the rates that were approved in Case No. 2010-00514.

IT IS THEREFORE ORDERED that:

1. Meade County shall publish notice of its proposed pass-through of Big Rivers' wholesale rates in a newspaper of general circulation in each of its service territories of Hancock and Hardin counties in newspapers that qualify under KRS 424.120.

2. Meade County shall file with the Commission no later than 15 days following publication as Ordered herein, proof of publication of its proposed pass-through of Big Rivers' wholesale rates.

3. Within 15 days from the date of this Order, Meade County shall file with the Commission its revised testimony and exhibits for the instant proceeding that reflects the updated rate schedules. All revised Excel spreadsheets should be filed in both hard copy and electronic format with the formulas intact and unprotected.

⁴ Case No. 2010-00514, An Examination of the Application of the Fuel Adjustment Clause of Meade County Rural Electric Cooperative Corporation from July 17, 2009 through October 31, 2010.

By the Commission

ENTERED ^(P)
JUN 24 2011
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:

Cason D. Drummond for
Executive Director

Case No. 2011-00038

Honorable Thomas C Brite
Attorney At Law
Brite & Hopkins, PLLC
83 Ballpark Road
P.O. Box 309
Hardinsburg, KENTUCKY 40143-030

Burns E Mercer
Manager
Meade County R.E.C.C.
P. O. Box 489
Brandenburg, KY 40108-0489